

**SOUND TRANSIT
STAFF REPORT**

MOTION NO. M2005-62

Title and Escrow Services Contracts

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
Finance Committee	6/16/05	Discussion/Possible Action	Phil O'Dell, Director, Project Support Services James Staudinger, Real Estate Manager Kirsten Nestler, Project Coordinator	(206) 398-5013 (206) 398-5026 (206) 398-5455

Contract/Agreement Type:	✓	Requested Action:	✓
Competitive Procurement	✓	Execute New Contract/Agreement	✓
Sole Source		Amend Existing Contract/Agreement	
Agreement with Other Jurisdiction(s)			

PROPOSED ACTIONS

Authorizes the Chief Executive Officer to execute contracts with Pacific Northwest Title and First American Title to provide title and escrow services for property acquisitions for agency capital projects for a total aggregate authorized contract amount not to exceed \$500,000, with contract terms expiring July 1, 2008, and with an option to extend each contract by one year.

KEY FEATURES of PROPOSED ACTION

- The proposed contracts replace the current escrow and title services agreement that expires June 30, 2005.
- The purpose of this action is to establish two contracts (a primary and a secondary) for title and escrow services to cover current and future services needed in connection with Link Light Rail, Sounder, and Regional Express real property acquisitions.
- After completing a competitive procurement Request for Proposal (RFP) process, Pacific Northwest Title was awarded a primary contract and First American Title was awarded a secondary contract.
- The proposed action reserves the right to adjust fund allocations between the two firms as needed over the course of the contract in order to maintain the volume and quality of title and escrow services required by ongoing Real Estate acquisition projects. Such adjustments, if needed in the future, would be made via formal contract modifications.
- Two awards were provided for under this RFP in order to accommodate the potentially wide ranging work flow in connection with real property acquisitions over the next three to four years. If and when the Pacific Northwest Title, the primary award firm, is unable to keep up with the volume and quality of title and escrow services requested, First American Title, the secondary award firm, will be asked to step in to complete the remaining title and escrow services.
- The contract defines a scope of work, including providing initial title reports, title insurance, title research, and escrow services for real property acquisitions undertaken by Link Light Rail, Sounder, and Regional Express.

BUDGET IMPACT SUMMARY

There is no action outside of the Board-adopted budget; there are no contingency funds required, no subarea impacts, or funding required from other parties other than what is already assumed in the financial plan.

BUDGET and FINANCIAL PLAN DISCUSSION

The proposed action is within the proposed life time budgets. No amendments are necessary.

REVENUE, SUBAREA, AND FINANCIAL PLAN IMPACTS

The proposed action is consistent with the current Board-adopted budget and is affordable within Sound Transit's current long-term financial plan and the subarea financial capacity. The action will have no new revenue impacts on Sound Transit.

BUDGET TABLE

Summary for Board Action (Year of Expenditure \$000)

Action Item: Real Estate Title and Escrow Services

	(A) Current Approved Contract Value	(B) Spent to Date	(C) Proposed Action	(D) Proposed Total Contract Value
Contract Budget:				
Real Estate Title and Escrow Services	0	-	500,000	500,000
				-
Contingency	0	-		-
Total			500,000	500,000
Percent Contingency	0%	-	0%	0%

Accounts to be charged:	2002 Staff Budget	Future Staff Budgets	Direct Charges to Projects	Total
Real Estate Acquisition Services In Capital Projects			500,000	500,000
				-
				-
TOTAL CONTRACT CHARGES:	-	-	500,000	500,000

Direct Charge Budget	Adopted Lifetime Capital Budget for ROW	Life Time Spent to Date	This Action	Suplus (Shortfall)
Link Light Rail	261,001,689	207,348,926	350,000	53,302,763
Regional Express	61,997,873	42,298,127	75,000	19,624,746
Souder Commuter Rail	359,364,177	222,616,975	75,000	136,672,202
TOTAL DIRECT CHARGE BUDGETS:	682,363,739	472,264,028	500,000	209,599,711

Budget Shortfall

Level	\$	Revenues	Funding Source
NA	-	-	NA

Notes

M/W/DBE – SMALL BUSINESS PARTICIPATION

Prime Consultant/Contractor

Sound Transit determined that because of the specific nature of the services to be provided under this contract, joint venturing and/or subcontracting would be unlikely. Therefore, proposers were not required to submit a plan for subcontracting.

Pacific Northwest Title is the primary consultant for this contract. Pacific Northwest Title will not be subcontracting any work for this contract. Pacific Northwest Title will perform 100% of the work assigned to it.

American First Title is the secondary consultant for this contract. American First Title will not be subcontracting any work for this contract. American First Title will perform 100% of the work assigned to it.

EEO Commitment

Pacific Northwest Title Company's workforce demographics are 75% women and 15% minorities. First American Title Company's workforce demographics are 70% women and 24% minorities

Apprentice Utilization Commitment

Not applicable for this action.

PROJECT DESCRIPTION and BACKGROUND for PROPOSED ACTION

In order to continue to build a high-capacity transit system consisting of commuter rail service, light rail service, and a program of regional bus service, HOV improvements and park-and-ride facilities throughout the central Puget Sound region, it will be necessary for Sound Transit to continue to acquire real property. In order to complete the real property acquisition process, title and escrow services will continue to be needed to complete future Sounder, Regional Express and Link Light Rail acquisitions for various projects. Specifically, current and future Link work includes completing Initial Link property acquisitions work, Airport Link, and the possibility of upcoming North Link acquisitions which could include up to a total of 600 parcels.

Prior Board/Committee Actions on this Project and Relevant Board Policies

Motion or Resolution Number	Summary of Action	Date of Action
M98-24	Executed a contract for Title and Escrow Services with First American Title Insurance Company for an initial term of two years with the option to renew for three additional one-year terms. Total award of this contract will not exceed \$5,000,000.	4/3/98

CONSEQUENCES of DELAY

A two week delay in approval of this action would not have a significant impact on the agency work schedule.

PUBLIC INVOLVEMENT

Not applicable to this action.

LEGAL REVIEW

JDW 6/7/05

SOUND TRANSIT

MOTION NO. M2005-62

A motion of the Finance Committee of the Central Puget Sound Regional Transit Authority authorizing the Chief Executive Officer to execute contracts with Pacific Northwest Title and First American Title to provide title and escrow services for property acquisitions for agency capital projects for a total aggregate authorized contract amount not to exceed \$500,000, with contract terms expiring July 1, 2008, and with an option to extend each contract by one year.

Background:

The purpose of this action is to establish two contracts (a primary and a secondary) for title and escrow services to cover current and future services needed in connection with Link Light Rail, Sounder, and Regional Express real property acquisitions. The proposed contracts replace the current escrow and title services agreement that expires June 30, 2005.

After completing a competitive procurement Request for Proposal (RFP) process, Pacific Northwest Title was awarded a primary contract and First American Title was awarded a secondary contract.

The proposed action reserves the right to adjust fund allocations between the two firms as needed over the course of the contract in order to maintain the volume and quality of title and escrow services required by ongoing Real Estate acquisition projects. Such adjustments, if needed in the future, would be made via formal contract modifications.

Two awards were provided for under this RFP in order to accommodate the potentially wide ranging work flow in connection with real property acquisitions over the next three to four years. If and when the Pacific Northwest Title, the primary award firm, is unable to keep up with the volume and quality of title and escrow services requested, First American Title, the secondary award firm, will be asked to step in to complete the remaining title and escrow services.

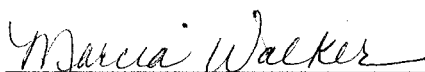
The contract defines a scope of work, including providing initial title reports, title insurance, title research, and escrow services for real property acquisitions undertaken by Link Light Rail, Sounder, and Regional Express.

Motion:

It is hereby moved by the Finance Committee of the Central Puget Sound Regional Transit Authority that the Chief Executive Officer is authorized to execute contracts with Pacific Northwest Title and First American Title to provide title and escrow services for property acquisitions for agency capital projects for a total aggregate authorized contract amount not to exceed \$500,000, with contract terms expiring July 1, 2008, and with an option to extend each contract by one year.

APPROVED by the Finance Committee of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on June 16, 2005.

ATTEST:



Marcia Walker
Board Administrator



Kevin R. Phelps
Finance Committee Chair